KELLEY DRYE & WARREN LLP
A LIMITED LIABILITY PARTNERSHIP INCLUDING PROFESSIONAL ASSOCIATIONS
1200 19TH STREET, N.W.
SUITE 500
WASHINGTON, D. C. 20036
(202) 955-9600

NEW YORK, N.Y.
LOS ANGELES, CA.
MIAMI, FL.
CHICAGO, IL.
STAMFORD, CT.
PARSIPPANY, N.J.

BRUSSELS, BELGIUM
HONG KONG

AFFILIATED OFFICES
NEW DELHI, INDIA
TOKYO, JAPAN

FACSIMILE
(202) 955-9792

WRITER'S DIRECT LINE
(202) 955-9664

WRITER'S E-MAIL
jcanis@kelleydrye.com

July 13, 1998

Magalie R. Salas, Secretary
Federal Communications Commission
1919 M Street, N.W., Room 222
Washington, D.C. 20554

Re: Notification of Ex Parte Presentation

Petition of the Association for Local Telecommunications Services for a Declaratory Ruling Establishing Conditions Necessary to Promote Deployment of Advanced Telecommunications Capability Under 706 of the Telecommunications Act of 1996
CC Docket No. 98-78

Petition of Bell Atlantic Corporation for Relief from Barriers to Deployment of Advanced Telecommunications Services
CC Docket No. 98-11

Petition of Ameritech Corporation for Relief from Barriers to Deployment of Advanced Telecommunications Services
CC Docket No. 98-32

Petition of U S West Corporation for Relief from Barriers to Deployment of Advanced Telecommunications Services
CC Docket No. 98-26

Petition of the Alliance for Public Technology Requesting Issuance of Notice of Inquiry and Notice of Proposed Rulemaking to Implement Section 706 of the 1996 Telecommunications Act
RM No. 9244

Dear Ms. Salas:

Pursuant to Section 1.1206(b)(1) and (2) of the Commission's Rules, Intermedia Communications Inc. ("Intermedia") provides notice of an oral *ex parte* presentation in the

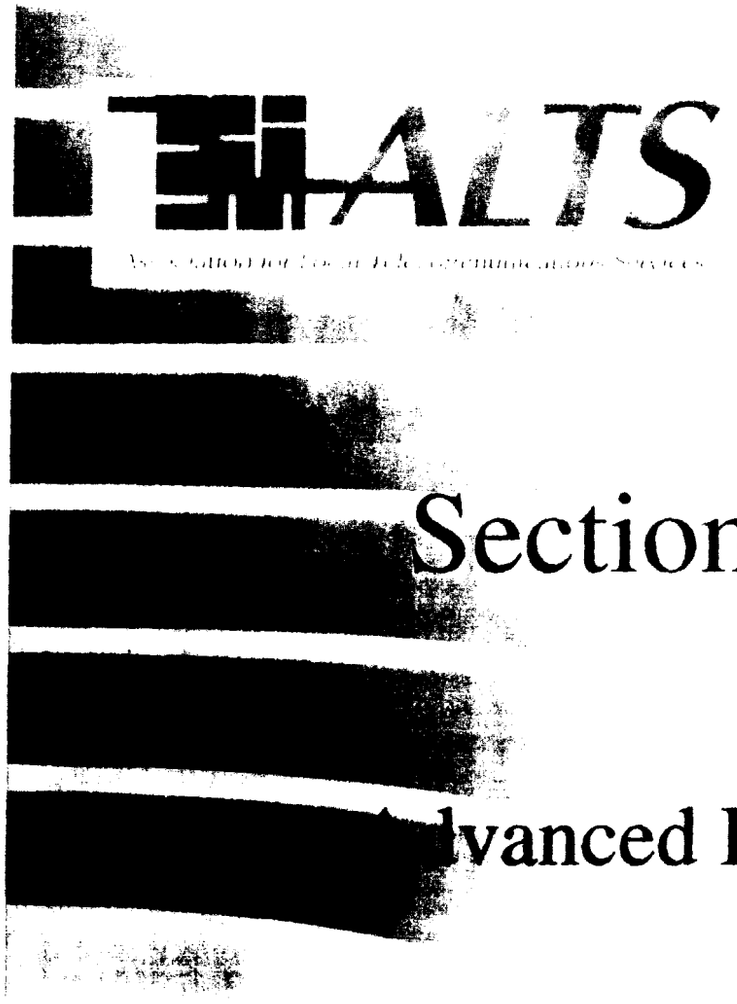
above-captioned docketed proceedings on July 13, 1998. The presentation was made by David Ruberg, President of Intermedia, and Julia Strow and Don Davis, both Assistant Vice Presidents of Industry Policy for Intermedia. These Intermedia representatives were accompanied by Heather Gold, President of the Association for Local Telecommunications Services, and by the undersigned. The presentation was made to Kathryn Brown, Chief, Common Carrier Bureau and her Legal Counsel, Blaise A. Scinto. Intermedia discussed a variety of issues raised in the petitions filed in the above-captioned proceedings.

A copy of a handout used in the presentation is attached. Pursuant to Section 1.1206(b)(1) and (2) of the Commission's Rules, Intermedia hereby submits an original and two (2) copies of this *ex parte* notification for inclusion in the public record. Please direct any questions regarding this matter to the undersigned.

Respectfully submitted,

Jonathan E. Canis

cc: Kathryn Brown, Chief, Common Carrier Bureau
Blaise Scinto, Legal Counsel for Bureau Chief
International Transcription Service



Section 706 -- Ex Parte

dvanced Broadband Infrastructure

Deployment Needs in
A Competitive Environment

Advanced Broadband Infrastructure

[redacted]nced Broadband Technology is more than xDSL.

- [redacted] relies on relatively "old" loop technology.

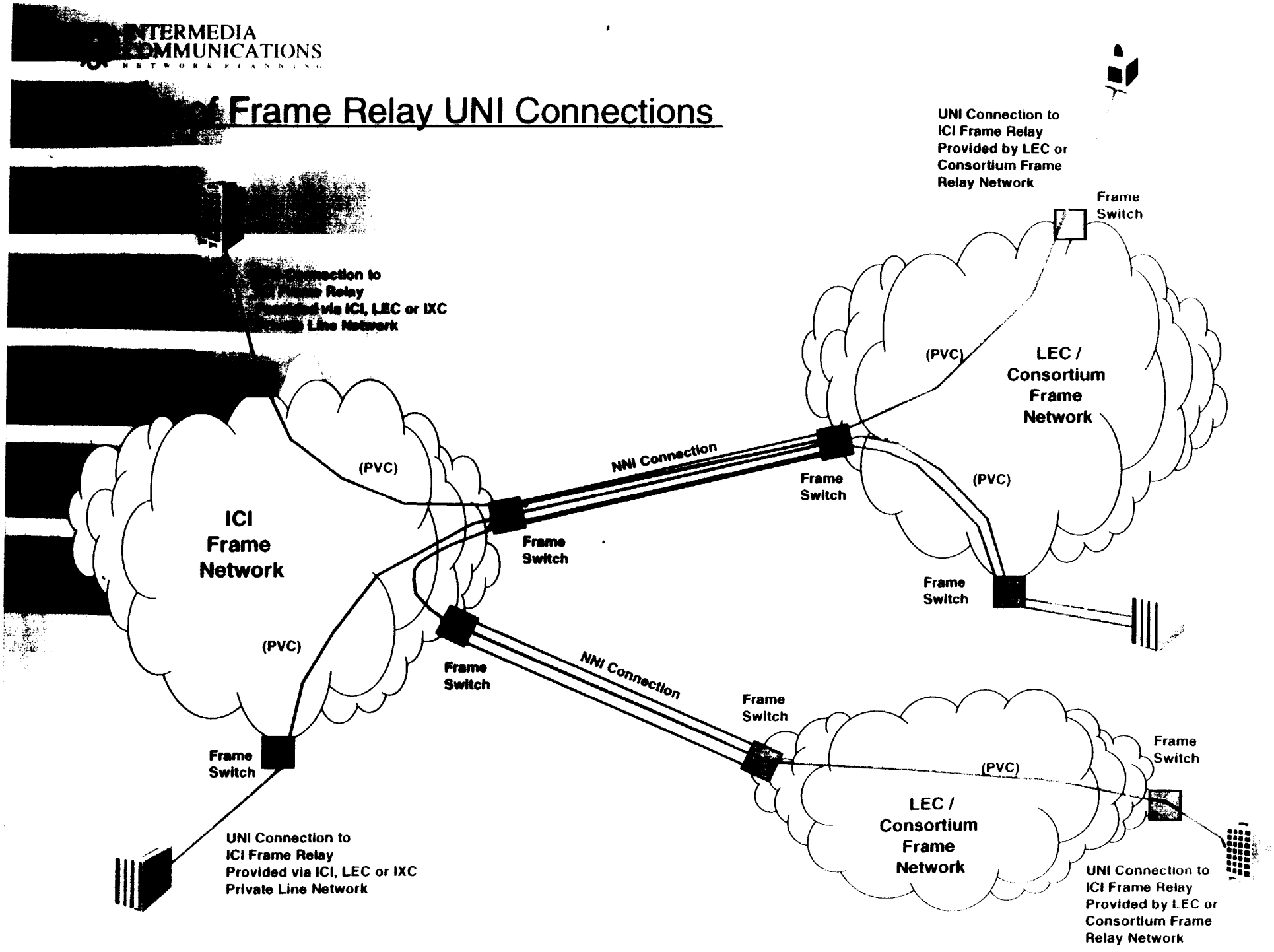
[redacted]neration loop architecture will require access to [redacted]nts' electronics.

- Section 272 subsidiaries will not provide adequate competitive protections for data services.

Broadband is more than xDSL

[redacted]etitive industry has led in deployment
[redacted]M and frame relay services and
[redacted]packet/cell facilities.

- These packet/cell based services require the same carrier to carrier interconnections as those required for switched services.

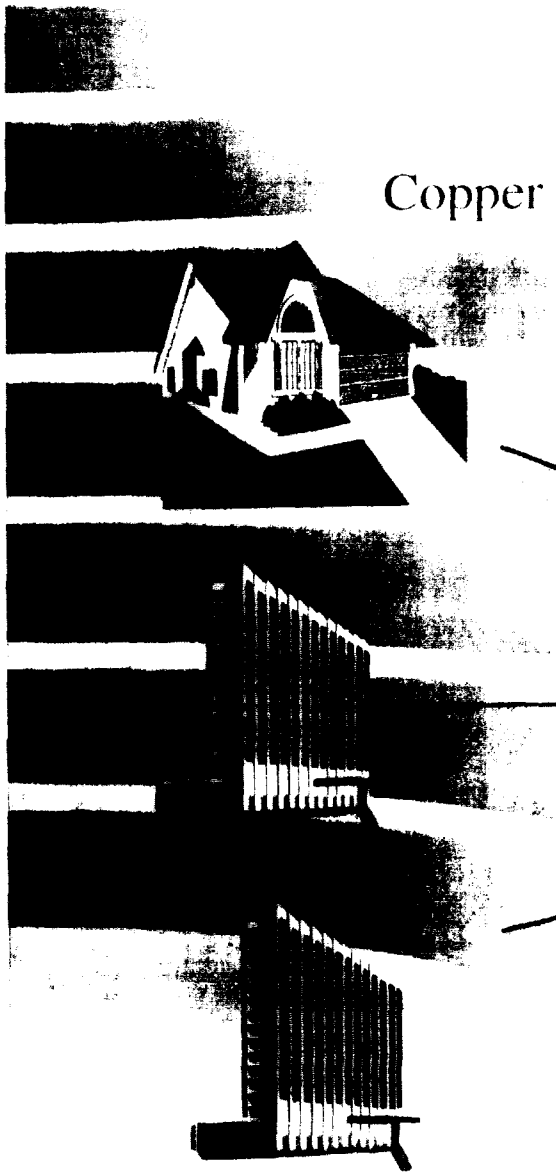

INTERMEDIA COMMUNICATIONS
NETWORK PLANNING
of Frame Relay UNI Connections
UNI Connection to
ICI Frame Relay
Provided by LEC or
Consortium Frame
Relay Network
Frame
Switch
(PVC)
LEC /
Consortium
Frame
Network
ICI
Frame
Network
(PVC)
NNI Connection
Frame
Switch
Frame
Switch
(PVC)
Frame
Switch
Frame
Switch
NNI Connection
Frame
Switch
(PVC)
Frame
Switch
LEC /
Consortium
Frame
Network
UNI Connection to
ICI Frame Relay
Provided via ICI, LEC or IXC
Private Line Network
UNI Connection to
ICI Frame Relay
Provided by LEC or
Consortium Frame
Relay Network

[redacted]xDSL relies on relatively "old" [redacted] loop technology

- [redacted]Provisioned over basic copper pair.
- [redacted]titors must have access to a specific [redacted] pair from subscriber back through [redacted]ond office.
- [redacted]Economics of competitive entry highly dependent upon price of collocation and unbundled loops.

Diagram 1

Traditional Loop Distribution Systems: Copper Between Customer Premises and Central Office



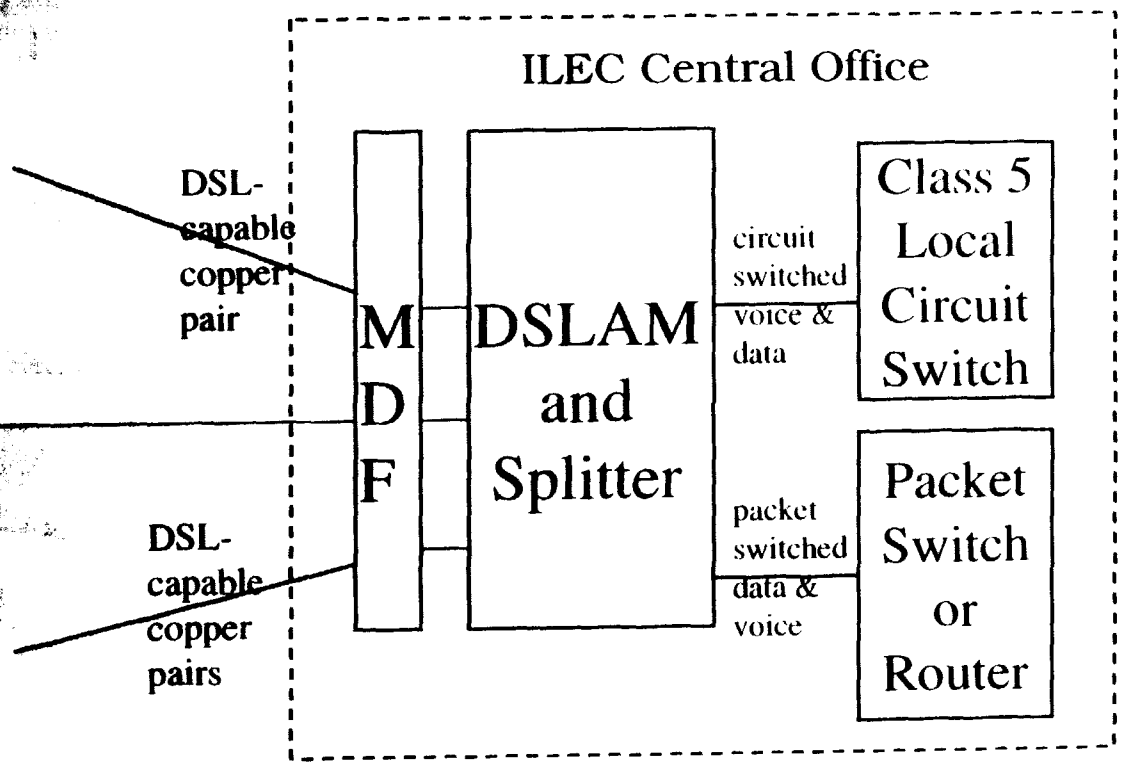
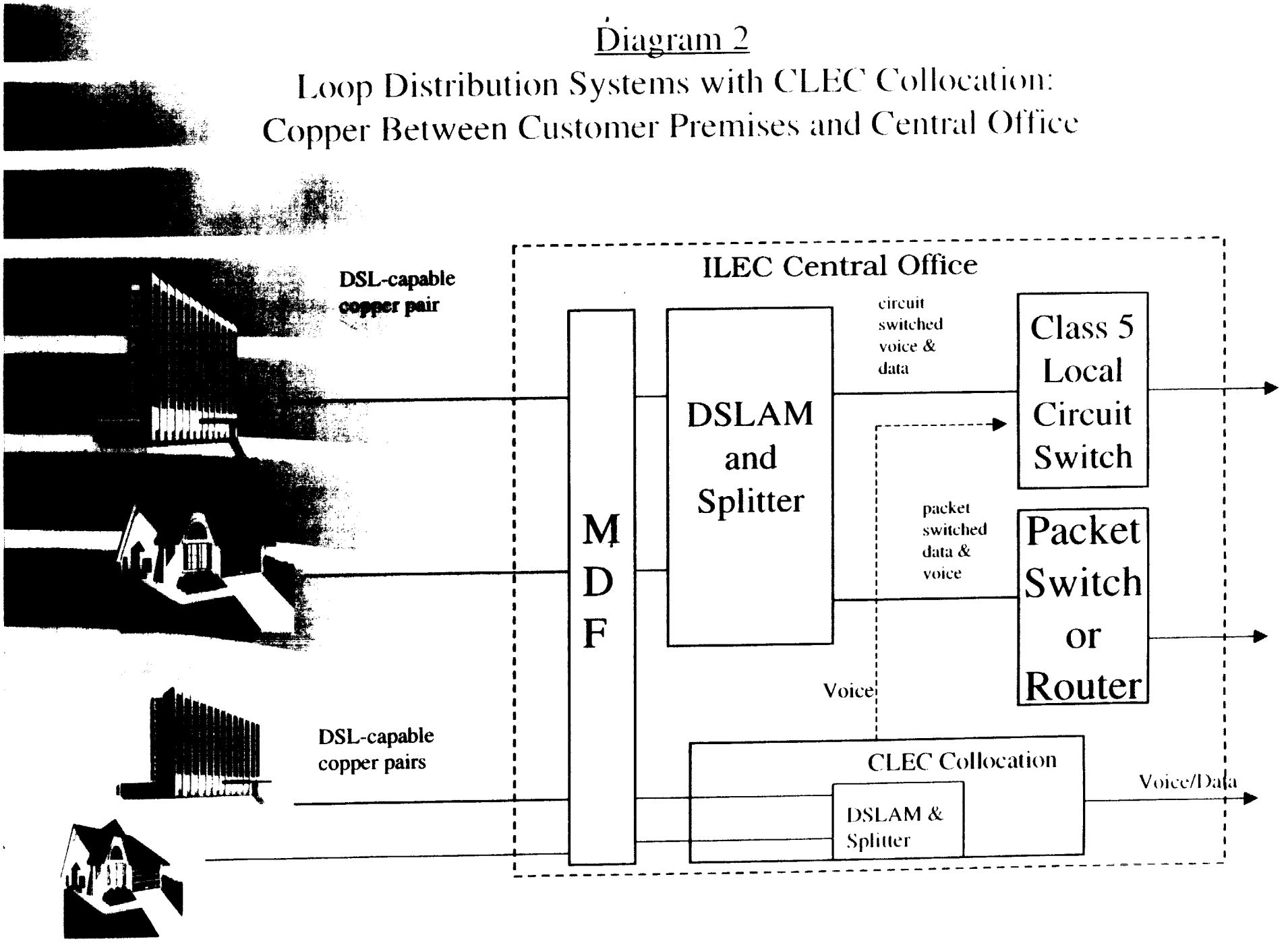


Diagram 2

Loop Distribution Systems with CLEC Collocation: Copper Between Customer Premises and Central Office

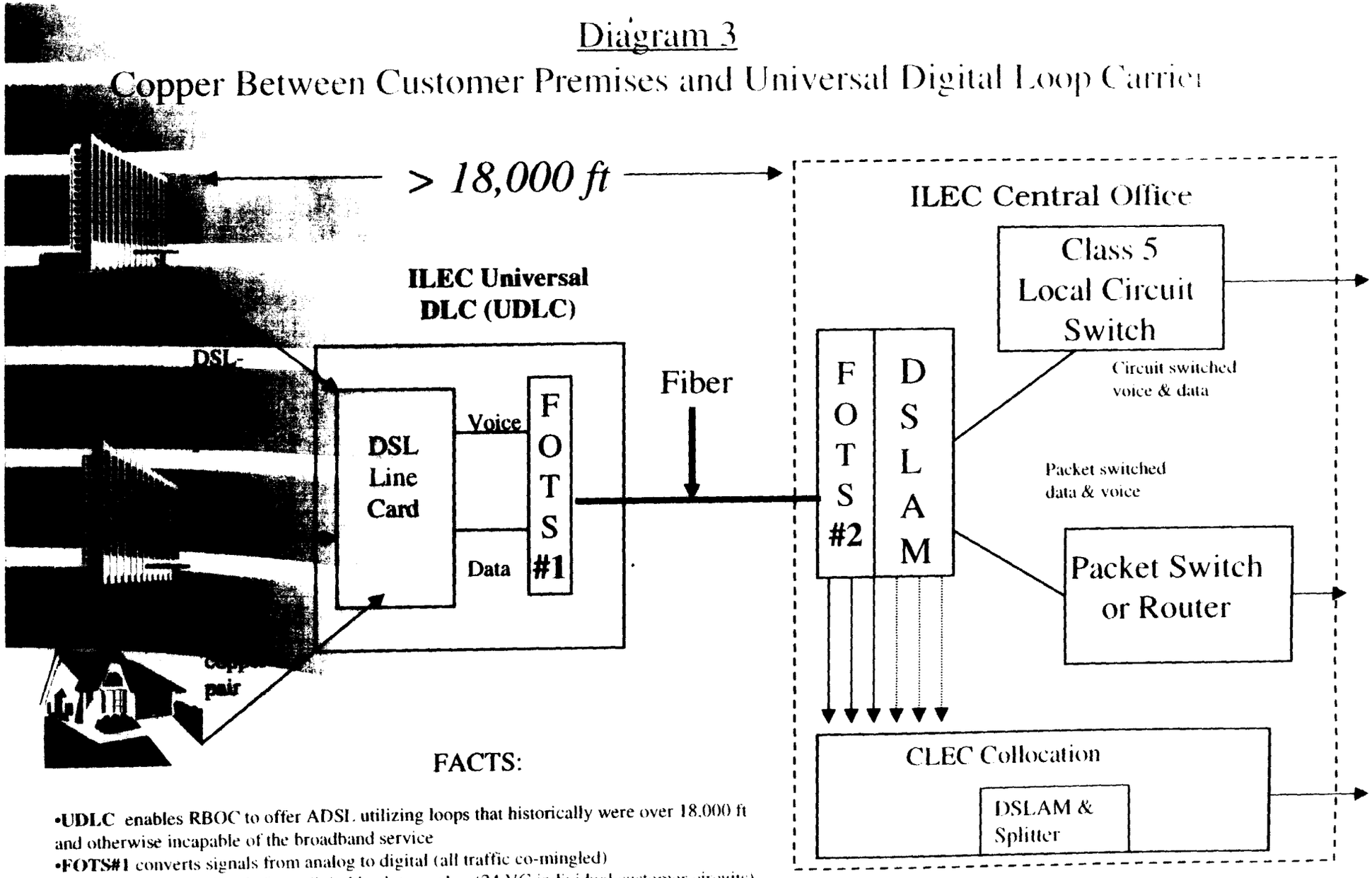


Next Generation of Loop Technology Will [redacted] Competitor Access to Loop Electronics

- [redacted] loop architecture is being replaced by [redacted] nations of fiber, copper and in some circumstances [redacted] ax.
- [redacted] mbinations require electronics situated at the [redacted] erminals where the mixed media are joined.
- [redacted] ectronics will remove the need for certain [redacted] capabilities in the CO.
- Competitors will be thwarted in efforts to reach end users served under these loop technologies unless they also have access to the electronics.

Diagram 3

Copper Between Customer Premises and Universal Digital Loop Carrier

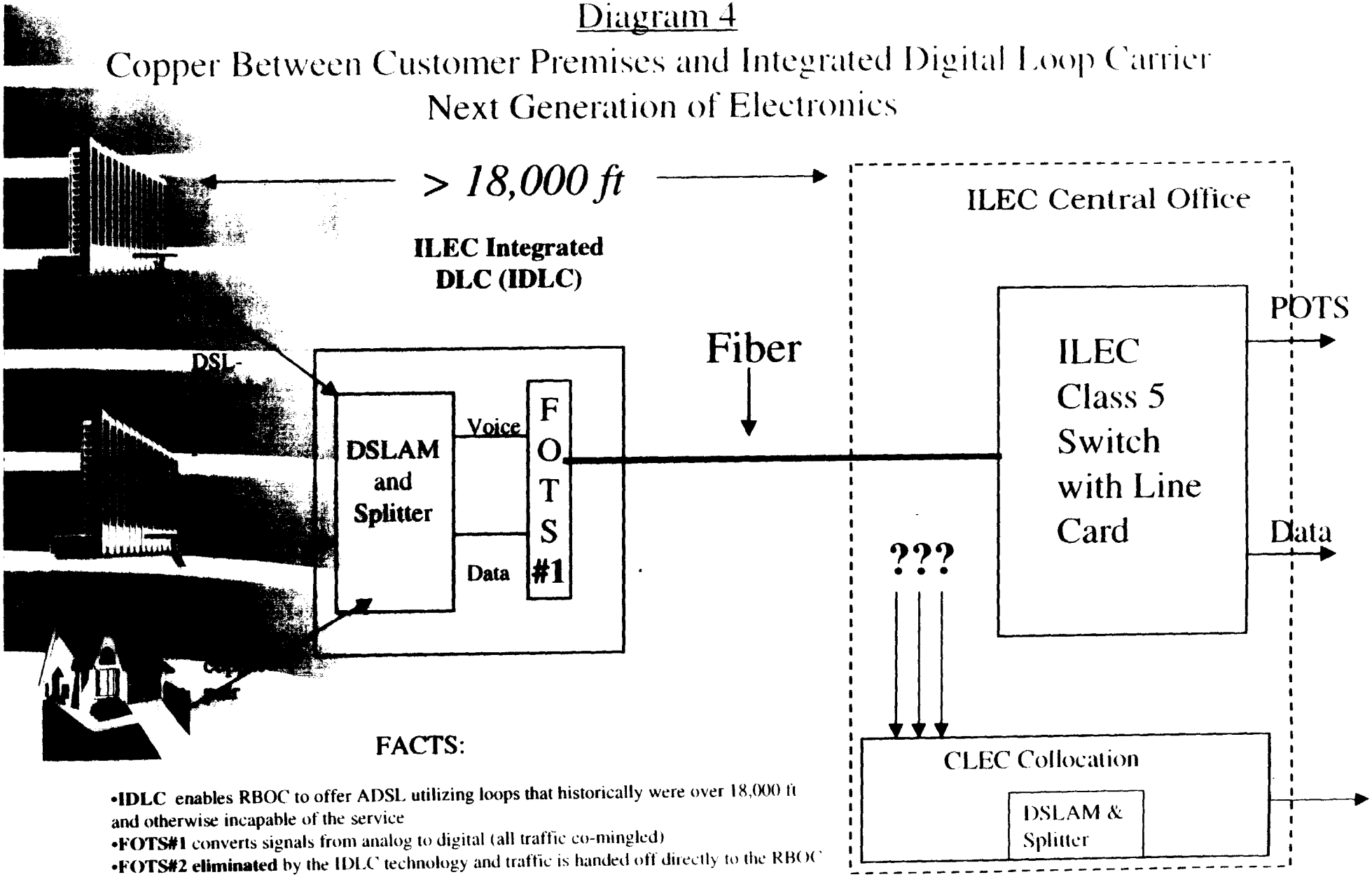


FACTS:

- **UDLC** enables RBOC to offer ADSL utilizing loops that historically were over 18,000 ft and otherwise incapable of the broadband service
- **FOTS#1** converts signals from analog to digital (all traffic co-mingled)
- **FOTS#2** converts signals from digital back to analog (24 VG individual customer circuits)
- **In many instances**, the RBOC refuses access to UDLC loops and alternatively offers cooper from customer to CO **BUT** the length is over 18,000 ft and therefore technically incapable of the service

Diagram 4

Copper Between Customer Premises and Integrated Digital Loop Carrier Next Generation of Electronics



FACTS:

- **IDLC** enables RBOC to offer ADSL utilizing loops that historically were over 18,000 ft and otherwise incapable of the service
- **FOTS#1** converts signals from analog to digital (all traffic co-mingled)
- **FOTS#2 eliminated** by the IDLC technology and traffic is handed off directly to the RBOC switches as digital (DS1 level)
- **Prevents** CLEC from accessing individual VG circuits of individual customers. CLEC would be required at a minimum to take full DS1 channel
- **In many instances**, the RBOC refuses access to IDLC loops and alternatively offers cooper from customer to CO **BUT** the length is over 18,000 ft and therefore technically incapable of the service

Existing FCC Separate Subsidiary Requirements Are Not Adequate

- [redacted]ing FCC subsidiary requirements predicated on [redacted]ure of competition already established…i.e. Section [redacted]llows meeting the checklist.
- [redacted]ence with existing data subsidiaries has demonstrated that safeguards are not yet enforceable.
- [redacted]bents cannot be allowed to use their existing network advantages to provide data services or exempt data elements from Section 251/252 requirements of Act.
- Incumbents themselves have stated that separate subsidiaries are not efficient.

Advanced Broadband Infrastructure Deployment In A Competitive Environment

- [redacted] **data network** elements, FCC and States must [redacted] **Sections** 251/252 of the Act.
- [redacted] **location must be made economically and technically** [redacted] **t.**
- [redacted] **Unbundled loops must be defined to include necessary** [redacted] **ics as network architecture evolves to IDLC** [redacted] **system.**
- Data services offered by incumbent must be subject to all the same provisioning, element availability and collocation requirements as those imposed on competitors.